

REMARKS

In view of the foregoing amendments and the following remarks, reconsideration and allowance are respectfully requested.

Status of Claims

Claims 1-87 were pending at the time of this Office Action. Claims 1-7, 16-36, 45-65, and 74-87 were withdrawn from consideration in the reply filed on 6/25/2003. Claims 8-15, 37-44, and 66-73 are currently pending with Claims 8, 12, 37, 41, 66, and 70 being independent.

Claims 8-15, 37-44, and 66-73 were rejected under 35 U.S.C. 103(a) as being allegedly being unpatentable over Yanagihara (U.S. Patent No. 5,374,958) in view of Reininger et al. (U.S. Patent No. 5,426,463).

Claims 8, 10, 12, 14, 37, 39, 41, 43, 44, 66, 68, 70, and 72 are currently amended. No new matter has been added. An RCE is being filed to ensure consideration of these amendments.

Interview Summary with Examiner

The Applicant's representatives thank the Examiner for the interview held with the Examiner on March 17, 2005. The above-mentioned claim rejections were discussed. During that interview, the Examiner agreed that claims amended to include "within macroblock" language would overcome the current rejections. An RCE is filed here with the amended claims.

As explained in the interview, Reininger does not use different QPs for luma and chroma in the same macroblock. Reininger does employ variable quantizing step-sizes, but the step-size employed for chroma is always the same as that for luminance within a macroblock. Reininger discloses a step-size

that varies from macroblock to macroblock, but for any one macroblock, the step-size used for luminance is the same step-size used for chroma. Reininger fails to disclose making the chroma and luminance quantization step-sizes different from each other.

The Examiner noted that the primary rejection to the claims, such as Claim 8, is based on the claims in the previous response to the Office Action not explicitly stating that the Quantization Parameter (QP) for chroma (U color channel or V color channel) is lower than the QP for luminance (Y luminance channel) in the same macroblock. The claims have been amended to recite this subject matter from the specification. For example, Claim 8 refers to a "first macroblock", and that "the second QP value for said first macroblock is less than the first QP value" in that first macroblock.

Therefore, the claims have been amended to explicitly recite the subject matter in the specification with respect to the macroblocks to place the claims in condition for allowance.

Claim 8

Applicants also respectfully submit that the combination of Yanagihara and Reininger is improper. Yanagihara teaches that the QP value for color is greater than the QP value for luma. Therefore, Yanagihara teaches away from Claim 8. It cannot be combined with Reininger, or any other reference, to contradict Yanagihara's express teachings to render Claim 8 obvious. If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claim *prima facie* obvious (MPEP 2143).

Furthermore, if proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification. *In re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984) (MPEP 2143).

For at least these reasons, Claim 8 is patentable and the 35 U.S.C. 103 rejection should be respectfully withdrawn.

Claims 12, 37, 41, 66, and 70

Independent Claims 12, 37, 41, 66, and 70 are patentable for at least the same reasons as stated above with respect to Claim 8. Claims 12, 37, 41, 66, and 70 recite patentable subject matter that is similar to the patentable subject matter of Claim 8. The Applicant respectfully requests that these independent claims be placed in condition for allowance.

Claims 9-11, 13-15, 38-40, 42-44, 67-69, 71-73

Claims 9-11, 13-15, 38-40, 42-44, 67-69, 71-73 are patentable at least for depending upon an allowable base claim (base Claim 8 for Claims 9-11, base Claim 12 for Claims 13-15, base Claim 37 for Claims 38-40, base Claim 41 for Claims 42-44,

base Claim 66 for Claims 67-69, and base Claim 70 for Claims 71-73). Allowance of these dependent claims is respectfully requested.

#### Conclusion

It is believed that all of the pending claims have been addressed in this paper. However, failure to address a specific rejection, issue, or comment, does not signify agreement with or concession of that rejection, issue or comment. In addition, because the arguments made above are not intended to be exhaustive, there may be reasons for patentability of any or all pending claims (or other claims) that have not been expressed. Finally, nothing in this paper should be construed as an intent to concede any issue with regard to any claim, except as specifically stated in this paper, and the amendment of any claim does not necessarily signify concession of unpatentability of the claim prior to its amendment.

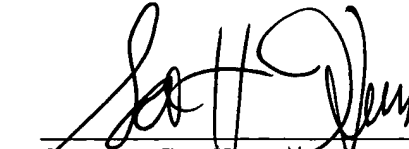
Claims 8-15, 37-44, and 66-73 are in condition for allowance, and a notice to that effect is respectfully solicited.

Should any issues remain after this amendment, the Examiner is encouraged to call the undersigned at (858) 678-4321 in an attempt to address those issues.

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Respectfully submitted,

Date: March 22, 2005

  
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